AMENDMENTS TO THE SPECIFICATION

Please replace the paragraph beginning on page 21, line 12, with the following amended paragraph:

--The output of the Channel Selection Interface 1000 determines which audio channel the individual loudspeaker is assigned to in a surround sound or stereo system, which mix mode to use (described later), and digital crossover filter EQ information (also described later). Figure 18 shows one embodiment of the Channel Selection Interface. A Channel Selection Switch 1801 located on the speaker cabinet allows the user to specify what role an individual speaker is assigned to in a surround sound system: left front, center front, right front, left read, right rear. In the case of subwoofer the speaker itself is sufficiently distinctive that no switch is necessary. The output of the Channel Selection Switch is input to the Channel Selection Register and Status Decode Logic 1802. The output of the Channel Selection Register and Status Decode Logic 1802 is the output of the Channel Selection Interface 1000 and is sent to the remaining functional units of the Digital to Speaker Input Conversion and Channel Selector. A special NO_CHANNEL output code from the Channel Selection Interface specifies that the speaker is disabled and should respond to no channel selection. Also comprised in the Channel Selection Interface is a Group Selection Switch 1800. Many homes and offices have multiple groups of loudspeakers - e.g. a group of loudspeakers in the living room and another group in the kitchen. The Group Selection Switch 1800 allows a loudspeaker to be assigned to one of many groups of loudspeakers.--

Please replace the paragraph beginning at page 29, line 10, with the following amended paragraph:

--The block diagrams of Figures 2A and 2B show another embodiment of the present invention, which is similar to the embodiment of Figures 1A and 1B. In this embodiment, the digital audio sample stream is digitally compressed before it is transmitted through the air via antenna 130. At the loudspeaker, the compressed digital audio sample stream is uncompressed and a single channel of uncompressed audio is output to the speaker. By transmitting digitally compressed audio the bit rate required for RF transmission is reduced, greatly simplifying the RF design.--